These funds may be considered inadequate to meet the requirements of the Panchayats to effectively undertake the powers and responsibilities devolved to them. Panchayats would need a matching transfer of funds in respect of the devolved functions, the make up this inadequacy. This will require the entrustment of all budget allocations pertaining to the activities devolved upon Panchayats to the respective levels, through the creation of a Panchayat Sector in the State Budget.

In the Statement of conclusions arrived at after the visit of the Union Minister of Panchayati Raj to Rajasthan from 2nd to 4th December 2005, the Government of Rajasthan has stated that it hopes to complete the process of creation of a Panchayat Sector in the State Budget, in the Budget document of 2006-07.

Discretionary powers to civil servants

348. SHRI RAVULA CHANDRASEKAR REDDY: Will the PRIME MINISTER be pleased to state:

(a) whether Government have any proposal to give discretionary powers to civil servants despite the existing to suit the present conditions across the country;

(b) if so, the details thereof;

(c) whether it is also a fact that flaws in governance result in under performance of employees, inefficient and corrupt bureaucracy, cost overruns and low returns on development programmes; and

(d) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI SURESH PACHOURI): (a) No, Sir.

(b) Does not arise.

(c) and (d) Government of India has constituted the second Administrative Reforms Commission for preparing a detailed blueprint for revamping the public administration system. The Commission has been requested to make its recommendations, *inter-alia,* covering enhancing performance of civil servants, upgradation of their skills and competencies and strengthening financial management systems.